



*Andrew Junkin
CFA, CIMA, CAIA
Managing Director*

March 25, 2009

Mr. Joseph Dear
Chief Investment Officer
California Public Employees' Retirement System
400 Q Street
Sacramento, CA 95814

Re: Revision to Global Equity Sub-Asset Class Allocation Ranges Policy

Dear Joe:

You requested Wilshire's opinion with respect to the proposed revisions to the Statement of Investment Policy for Global Equity Sub-Asset Class Allocation Ranges. Staff has proposed revisions to reflect the Investment Committee-approved changes to the ranges

Recommendation

Wilshire recommends that the Policy Subcommittee approve the revised policy.

Background

The revisions to the policy reflect the recent action taken by the Investment Committee. Specifically, the Investment Committee approved merging the Manager Development Program (MDP) and the Emerging Manager fund of Funds program and setting the permissible range equal to 1.0-5.0% of Global Equity assets. Additionally, the Investment Committee approved changing the range on the Environmental program within Global Equity from 0-0.5% to 0-2.0%. Both changes are accurately reflected in the revised policy document.

There are no other substantive changes.

Should you require anything further or have any questions, please do not hesitate to contact us.

Best regards,

New Mountain Co-Investment
August 24, 2006
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A handwritten signature in black ink, appearing to read "Am Jin". The signature is fluid and cursive, with the first part resembling "Am" and the second part resembling "Jin".